

CHRISTOPHER COX
CALIFORNIA

CHAIRMAN
HOMELAND SECURITY COMMITTEE

ENERGY AND COMMERCE COMMITTEE

SUBCOMMITTEES ON:
ENERGY AND AIR QUALITY
TELECOMMUNICATIONS AND
THE INTERNET



ORIGINAL

2402 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0547
(202) 225-5611
<http://cox.house.gov>

ONE NEWPORT PLACE
SUITE 1010
NEWPORT BEACH, CA 92660
(949) 786-2244

CHAIRMAN
POLICY COMMITTEE

HOUSE LEADERSHIP
STEERING COMMITTEE

**Congress of the United States
House of Representatives**

May 27, 2003

RECEIVED

SEP -2 2003

The Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20024

Federal Communications Commission
Office of the Secretary

Dear Chairman Powell:

As the Federal Communications Commission concludes its review of rules that seek to protect localism, competition, and diversity in the media, and prepares to release new rules governing media ownership, I write to strongly caution against any "liberalization" that will exacerbate the media concentration in the U.S., and in particular the existing lack of authentically local television news in the southern California market.

This is the most significant decision the FCC will make during your tenure. Your handling of the television-radio cross ownership rule, the broadcast-newspaper cross ownership ban, the national television ownership rule, the duopoly rule for radio, the local television ownership rule, and the dual network rule will affect television, radio, newspapers, cable TV, and Internet news and entertainment for years to come.

There is no need for further media concentration. There are those who say that the presence of 200 cable or satellite television channels offers "diversity." But not only is the vast majority of this programming produced by a very few enormous global media firms, it is nearly bereft of the kind of diversity that enhances community life.

As a resident of southern California, I am very concerned about the lack of local television news and programming. There are over 20 million people in the Los Angeles television market, the second largest media market in the United States. In this

Mr. Michael K. Powell
Page 2
May 22, 2003

vast city-state, the overwhelming majority of media content is generated for national and global entertainment and information. The patina of "local" news coverage is in fact little more than what is readily collected within easy driving distance of Hollywood. Orange County, whose population of 3 million is larger than 20 states, is constantly subjected to irrelevant "local news" about the Los Angeles School Board, and only genuine coverage of seriously local concerns. Because of the existing media conglomeration, we have lost a critically important component of community life.

What is needed in southern California is subdivision of the local broadcast market into more manageable populations. Without Commission action, however, license owners will invest in localizing only their advertising--not their programming.

Instead of meeting these needs, the FCC appears headed in the opposite direction. Already, local radio "news" in southern California amounts to "rip-and-read" from the area's dominant newspaper, the *Los Angeles Times*. Permitting the dominant paper (itself owned by the *Chicago Tribune*) to be co-owned with local television stations would make this already-unacceptable situation antithetical to the community interest. Likewise, permitting media conglomerates to own more than a third of the national market will make already-too-high barriers to entry insurmountable for would-be competitors in Southern California or elsewhere.

This is not to say that all mergers or alliances are anti-competitive. Indeed, the proposed merger of Univision Communications, Inc. and the Hispanic Broadcasting Corporation (which as you know has already received conditional approval by the U.S. Department of Justice) is an example of pro-competitive market forces working in favor of the consumer and of strengthened diversity in broadcast competition.

In the Univision-HBC merger, the combined company will constitute less than 1% of national radio station ownership, and less than 3% of broadcast television properties. Moreover, since Univision, a television broadcast company, owns no radio stations, and since HBC, a radio station operator, owns no television stations, no like properties will be consolidated as a result of this merger. Rather, the merger will create a stronger competitor to the dominant media giants.

Mr. Michael K. Powell
Page 3
May 22, 2003

For these reasons, I urge the Commission to reject any across-the-board "liberalization" of the vitally important protections against media concentration in the United States, and instead to continue to evaluate proposed media mergers and acquisitions on a case-by-case basis under existing rules. I also urge you to consider the dearth of authentically local news in southern California, and to carefully measure the advisability of any proposed rule changes against the yardstick of their impact on this region.

I appreciate your consideration of my thoughts on these issues, and hope you will keep me informed of any actions that the Commission takes on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Cox", is written over the printed name.

Christopher Cox
U.S. Representative

CCC:pmu